

2011 Property Tax Report

Dearborn County

with Comparisons to Prior Years



Legislative Services Agency

September 2011

This report describes property tax changes in Dearborn County between 2010 and 2011, with comparison to changes since 2007. In 2011, the changes from the big tax reform of 2008 were fully phased in with the elimination of the last of the state homestead credits. The 2009 recession affected assessments and local tax credits in many counties. Changes in local levies and assessments also were important in many counties.

Comparable Homestead Property Tax Changes in Dearborn County

The average homeowner saw a 6.7% tax bill decrease from 2010 to 2011.

Homestead taxes in 2011 were 23.2% lower than they were in 2007, before the property tax reforms.

84.6% of homeowners saw lower tax bills in 2011 than in 2007.

80.2% of homeowners saw tax decreases of between 1% and 19% from 2010 to 2011.

The largest percentage of homeowners have seen between a 10% and 39% decrease in their tax bills from 2007 to 2011.

	2010 to 2011		2007 to 2011	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
Summary Change in Tax Bill				
Higher Tax Bill	1,601	13.7%	1,794	15.3%
No Change	78	0.7%	12	0.1%
Lower Tax Bill	10,019	85.6%	9,892	84.6%
Average Change in Tax Bill	-6.7%		-23.2%	
Detailed Change in Tax Bill				
20% or More	195	1.7%	616	5.3%
10% to 19%	243	2.1%	371	3.2%
1% to 9%	1,163	9.9%	807	6.9%
0%	78	0.7%	12	0.1%
-1% to -9%	5,796	49.5%	1,223	10.5%
-10% to -19%	3,594	30.7%	2,166	18.5%
-20% to -29%	415	3.5%	2,862	24.5%
-30% to -39%	89	0.8%	2,174	18.6%
-40% to -49%	45	0.4%	895	7.7%
-50% to -59%	21	0.2%	294	2.5%
-60% to -69%	11	0.1%	105	0.9%
-70% to -79%	9	0.1%	64	0.5%
-80% to -89%	15	0.1%	37	0.3%
-90% to -99%	8	0.1%	31	0.3%
-100%	16	0.1%	41	0.4%
Total	11,698	100.0%	11,698	100.0%

Note: Percentages may not total due to rounding.

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 LOWER TAX RATES MORE
 THAN OFFSET THE LOSS OF
 THE STATE HOMESTEAD
 CREDIT, RESULTING IN LOWER
 HOMEOWNER TAX BILLS

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Homestead Property Taxes

Homestead property taxes decreased 6.7% on average in Dearborn County in 2011. This was less than the state average increase of 4.4%. Dearborn County homestead taxes were 23.2% lower in 2011 than they were in 2007, before the big tax reform. The drop in homestead tax bills was mainly due to lower tax rates in Dearborn in 2011. These lower tax rates more than offset the phaseout of the state homestead credit in 2011. The state homestead credit was 3.1% in Dearborn County in 2010. Dearborn County does not fund local credits with local income taxes, so the statewide decline in the local income tax distribution had no effect on homeowner tax bills.

Tax Rates

Property tax rates decreased in all Dearborn County tax districts. The average tax rate dropped by 4.9% because a large levy decrease more than offset a small increase in net assessed value. Levies in Dearborn County decreased by 5.6%. The biggest levy decreases were for a county jail bond, the Sunman-Dearborn Schools bus replacement fund, and the South Dearborn Community Schools debt service fund. Dearborn County's total net assessed value decreased 0.7% in 2011. Homestead and other residential net assessments decreased by 5% and 0.5%, respectively. Business net assessments increased 5.3%, and agricultural assessments increased 0.7%.

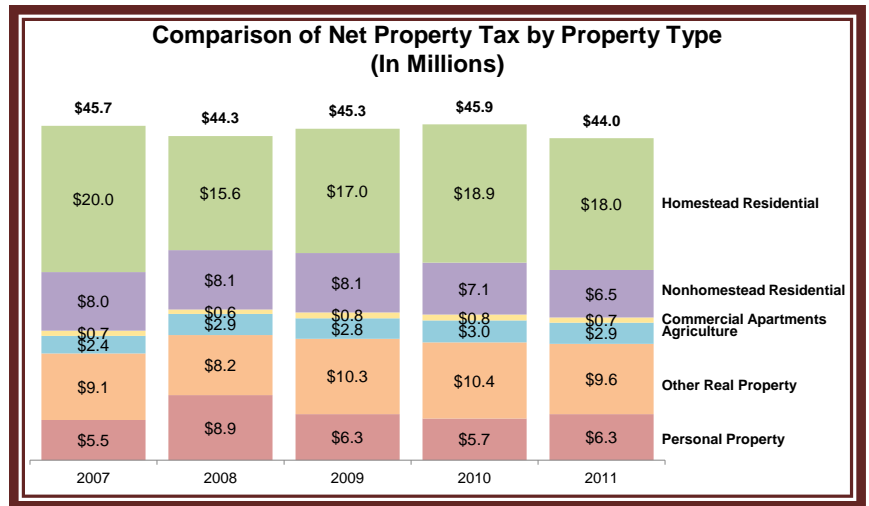
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**TAX BILLS FELL FOR ALL CLASSES OF
PROPERTY, BECAUSE OF LOWER TAX RATES**

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Net Tax Bill Changes - All Property Types

Net tax bills for all taxpayers fell 4.2% in Dearborn County in 2011, less than the statewide increase of 2.8%. Other residential property, which includes smaller rentals and second homes, saw net tax bills decrease by 8%. Tax bills for commercial apartments fell 9.9%. Business tax bills - which include commercial, industrial and utility buildings, land and equipment - fell by 1.3%. These tax bill decreases reflect the lower tax rates in Dearborn County in 2011. Even agricultural tax bills fell 4.3%, despite the 3.2% increase in the base rate assessment of farm land, from \$1,250 to \$1,290 per acre for taxes in 2011.



Tax Cap Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

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**TAX CAP CREDITS DECREASED
IN 2011 BECAUSE OF LOWER
TAX RATES**

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Total tax cap credit losses in Dearborn County were \$475,095, or 1.1% of the levy. This was much less than the state average loss rate of 9.2%, and less than the median value of 3.8% among all counties. Tax rates are the main determinant of tax cap credits, and Dearborn County's tax rates were lower than the state median.

About two-thirds of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 1% homestead category. Dearborn has no district tax rates above \$3 per \$100 assessed value, so no business property in the 3% tax cap category qualifies for credits. The largest percentage losses were in city of Aurora and the towns of Dillsboro and West Harrison. The largest dollar losses were in the South Dearborn Community School Corporation, Aurora City, Greendale Town, and the county unit.

Dearborn County Tax Cap Credits	1%	2%	3%	Elderly	Total	% of Levy
2010 Tax Cap Credits	\$211,982	\$424,193	\$0	\$697	\$636,873	1.4%
2011 Tax Cap Credits	160,325	314,676	0	94	475,095	1.1%
Change	-\$51,657	-\$109,517	\$0	-\$603	-\$161,777	-0.3%

Tax cap credits fell in Dearborn County in 2011 by \$161,177, or 25%. The lower credits represent a

gain of 0.3% of the total tax levy. Most of the decrease in tax cap credits was in the 2% tax cap category; most of the rest was in the 1% category. The decrease in tax cap credits was the result of lower tax rates. The elimination of the state homestead credit made the reduction in the 1% homestead category smaller.

The Effect of Recession

The 2009 recession had a mixed effect on Dearborn County assessments for pay-2011. Homestead and other residential property values and construction activity appear to have fallen in Dearborn County in 2009, but increases in business values and agricultural assessments partly offset this decline. Had assessments increased, tax rates would have fallen more, and so would tax cap credit losses. But tax rates are low enough in Dearborn that tax cap credit changes have only small effects on the share of the total levy collected.

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**2009 RECESSION HAD MIXED EFFECTS
IN DEARBORN COUNTY IN PAY-2011**

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Property Type	Gross AV 2010	Gross AV 2011	Gross AV Change	Net AV 2010	Net AV 2011	Net AV Change
Homesteads	\$2,407,383,040	\$2,331,831,500	-3.1%	\$1,151,109,400	\$1,093,914,840	-5.0%
Other Residential	340,211,620	338,776,900	-0.4%	340,049,880	338,264,163	-0.5%
Ag Business/Land	167,968,000	169,133,000	0.7%	167,685,380	168,891,400	0.7%
Business Real/Personal	940,246,610	976,157,600	3.8%	772,698,560	813,404,020	5.3%
Total	\$3,855,809,270	\$3,815,899,000	-1.0%	\$2,431,543,220	\$2,414,474,423	-0.7%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Dearborn County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	2011	%Change			
						2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011
County Total	60,506,963	63,144,154	45,058,695	45,457,349	42,932,096	4.4%	-28.6%	0.9%	-5.6%
State Unit	66,697	70,794	0	0	0	6.1%	-100.0%		
Dearborn County	10,288,026	12,542,445	9,047,976	9,396,247	8,718,180	21.9%	-27.9%	3.8%	-7.2%
Caesar Creek Township	8,256	8,439	8,776	9,228	9,452	2.2%	4.0%	5.2%	2.4%
Center Township	31,601	28,299	33,899	35,089	35,957	-10.4%	19.8%	3.5%	2.5%
Clay Township	51,578	48,702	13,661	58,912	58,310	-5.6%	-71.9%	331.2%	-1.0%
Harrison Township	57,066	53,458	63,178	65,473	67,145	-6.3%	18.2%	3.6%	2.6%
Hogan Township	31,091	30,137	34,368	35,682	34,857	-3.1%	14.0%	3.8%	-2.3%
Jackson Township	17,244	17,544	21,159	21,942	22,465	1.7%	20.6%	3.7%	2.4%
Kelso Township	14,123	13,009	15,092	16,200	15,962	-7.9%	16.0%	7.3%	-1.5%
Lawrenceburg Township	54,393	53,579	59,944	62,586	63,618	-1.5%	11.9%	4.4%	1.6%
Logan Township	56,887	48,465	63,491	65,900	67,546	-14.8%	31.0%	3.8%	2.5%
Manchester Township	104,444	96,148	113,804	118,714	121,807	-7.9%	18.4%	4.3%	2.6%
Miller Township	119,702	106,331	130,843	135,579	138,864	-11.2%	23.1%	3.6%	2.4%
Sparta Township	40,286	36,122	39,851	40,662	40,869	-10.3%	10.3%	2.0%	0.5%
Washington Township	31,928	30,417	32,846	36,639	37,557	-4.7%	8.0%	11.5%	2.5%
York Township	19,182	18,802	21,026	22,236	22,793	-2.0%	11.8%	5.8%	2.5%
Lawrenceburg Civil City	4,460,324	5,352,985	5,265,374	5,001,174	4,986,583	20.0%	-1.6%	-5.0%	-0.3%
Aurora Civil City	1,045,962	974,389	1,085,117	1,123,994	1,151,112	-6.8%	11.4%	3.6%	2.4%
Dillsboro Civil Town	149,196	140,518	162,254	168,424	172,962	-5.8%	15.5%	3.8%	2.7%
Greendale Civil Town	1,959,627	1,809,405	2,092,455	2,169,719	2,061,480	-7.7%	15.6%	3.7%	-5.0%
Moore's Hill Civil Town	32,817	25,069	36,888	38,286	39,334	-23.6%	47.1%	3.8%	2.7%
St. Leon Civil Town	664	625	1,521	1,551	1,580	-5.9%	143.4%	2.0%	1.9%
West Harrison Civil Town	65,999	62,954	77,679	84,806	84,800	-4.6%	23.4%	9.2%	0.0%
Sunman-Dearborn Community School Corp	17,886,122	16,238,128	11,108,139	11,948,890	11,233,385	-9.2%	-31.6%	7.6%	-6.0%
South Dearborn Community School Corp	9,046,982	10,860,630	6,377,345	7,727,714	6,813,024	20.0%	-41.3%	21.2%	-11.8%
Lawrenceburg Community School Corp	12,290,189	11,807,260	6,419,703	4,655,582	4,493,184	-3.9%	-45.6%	-27.5%	-3.5%
Aurora Public Library	701,114	599,277	749,625	776,803	790,901	-14.5%	25.1%	3.6%	1.8%
Lawrenceburg Public Lib	1,344,882	1,523,418	1,419,271	1,054,693	1,048,965	13.3%	-6.8%	-25.7%	-0.5%
Dearborn County Mgt Dist	511,344	519,160	563,410	584,624	599,404	1.5%	8.5%	3.8%	2.5%
Greendale Redevelopment Comm	19,237	27,645	0	0	0	43.7%	-100.0%		

Dearborn County 2011 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
15001	Caesar Creek Township	1.7836	--	--	--	--	--	--	1.7836
15002	Center Township	1.7468	--	--	--	--	--	--	1.7468
15003	Aurora City-Center Township	2.5376	--	--	--	--	--	--	2.5376
15004	Clay Township	1.7962	--	--	--	--	--	--	1.7962
15005	Dillsboro Town	2.2192	--	--	--	--	--	--	2.2192
15006	Harrison Township	1.7048	--	--	--	--	--	--	1.7048
15007	West Harrison Town	2.3307	--	--	--	--	--	--	2.3307
15008	Hogan Township	1.7956	--	--	--	--	--	--	1.7956
15009	Jackson Township	1.6895	--	--	--	--	--	--	1.6895
15010	Kelso Township	1.6798	--	--	--	--	--	--	1.6798
15011	St Leon Town	1.6716	--	--	--	--	--	--	1.6716
15012	Lawrenceburg Township	1.0519	--	--	--	--	--	--	1.0519
15013	Lawrenceburg City-A	1.9461	--	--	--	--	--	--	1.9461
15015	Aurora City-Lawrenceburg Township	1.8326	--	--	--	--	--	--	1.8326
15016	Greendale Town-A	2.1124	--	--	--	--	--	--	2.1124
15018	Loagan Township	1.7103	--	--	--	--	--	--	1.7103
15019	Manchester Township	1.8155	--	--	--	--	--	--	1.8155
15020	Miller Township	1.6924	--	--	--	--	--	--	1.6924
15021	Sparta Township	1.7661	--	--	--	--	--	--	1.7661
15022	Moore's Hill Town	2.0980	--	--	--	--	--	--	2.0980
15023	Washington Township	1.7661	--	--	--	--	--	--	1.7661
15024	York Township	1.7101	--	--	--	--	--	--	1.7101
15025	Greendale Town-B	2.1124	--	--	--	--	--	--	2.1124
15026	Lawrenceburg City-B	1.9461	--	--	--	--	--	--	1.9461

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Dearborn County 2011 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Total	Levy	Circuit Breaker as % of Levy
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly				
<i>Non-TIF Total</i>	160,325	312,217	0	94		472,636	42,932,096	1.1%
<i>TIF Total</i>	0	2,460	0	0		2,460	876,041	0.3%
<i>County Total</i>	160,325	314,676	0	94		475,095	43,808,137	1.1%
Dearborn County	27,237	48,529	0	20		75,786	8,718,180	0.9%
Caesar Creek Township	0	0	0	2		2	9,452	0.0%
Center Township	276	978	0	0		1,254	35,957	3.5%
Clay Township	16	270	0	3		288	58,310	0.5%
Harrison Township	33	85	0	0		118	67,145	0.2%
Hogan Township	1	0	0	0		1	34,857	0.0%
Jackson Township	3	0	0	0		3	22,465	0.0%
Kelso Township	1	0	0	0		1	15,962	0.0%
Lawrenceburg Township	186	100	0	0		286	63,618	0.4%
Logan Township	0	0	0	0		0	67,546	0.0%
Manchester Township	98	0	0	0		98	121,807	0.1%
Miller Township	130	0	0	0		130	138,864	0.1%
Sparta Township	93	37	0	0		130	40,869	0.3%
Washington Township	0	0	0	0		0	37,557	0.0%
York Township	0	0	0	0		0	22,793	0.0%
Lawrenceburg Civil City	1,447	0	0	0		1,447	4,986,583	0.0%
Aurora Civil City	18,376	67,210	0	0		85,585	1,151,112	7.4%
Dillsboro Civil Town	268	8,798	0	0		9,066	172,962	5.2%
Greendale Civil Town	44,614	24,912	0	0		69,526	2,061,480	3.4%
Moore's Hill Civil Town	0	706	0	0		706	39,334	1.8%
St. Leon Civil Town	0	0	0	0		0	1,580	0.0%
West Harrison Civil Town	0	3,464	0	0		3,464	84,800	4.1%
Sunman-Dearborn Community School Corp	5,789	6,349	0	0		12,137	11,233,385	0.1%
South Dearborn Community School Corp	30,294	119,395	0	61		149,751	6,813,024	2.2%
Lawrenceburg Community School Corp	23,259	12,510	0	0		35,768	4,493,184	0.8%
Aurora Public Library	3,517	13,860	0	7		17,384	790,901	2.2%
Lawrenceburg Public Lib	2,817	1,677	0	0		4,493	1,048,965	0.4%
Dearborn County Mgt Dist	1,873	3,337	0	1		5,211	599,404	0.9%
Greendale Redevelopment Comm	0	0	0	0		0	0	
TIF - St Leon-Harrison 006	0	0	0	0		0	2,355	0.0%
TIF - West Harrison 006	0	0	0	0		0	7,164	0.0%
TIF - St Leon-Kelso 010	0	0	0	0		0	19,136	0.0%
TIF - Greendale A 016	0	2,460	0	0		2,460	798,178	0.3%
TIF - West Aurora 023	0	0	0	0		0	48,691	0.0%
TIF - Greendale A Expanded 025	0	0	0	0		0	516	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.